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**A PUBLICATION OF THE NEW JERSEY DIVISION OF PENSIONS AND BENEFITS**


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# HEALTH BENEFITS COVERAGE FOR PART-TIME EMPLOYEES

State Health Benefits Program and School Employees' Health Benefits Program

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## INTRODUCTION

Chapter 172, P.L. 2003 provides certain part-time employees of the State of New Jersey and part-time faculty members at a New Jersey State College, State University, or certain County or Community Colleges eligibility for enrollment for coverage in the State Health Benefits Program (SHBP) or the School Employees' Health Benefits Program (SEHBP), provided that the part-time employee is a member of a State-administered retirement system.

The part-time employee can enroll in any SHBP/SEHBP plan that is provided by the employer except for NJ DIRECT HD1500 and Aetna Value HD1500 and if provided by the employer, the Employee Prescription Drug Plan. If an eligible employee elects to enroll and purchase coverage, the employee must pay the full cost of the coverage.

The plan benefits, as well as the rules and procedures of the plans, are the same for part-time enrollees as they are for all other enrollees, **except for those areas listed below**. If a specific topic is not outlined in this publication, please refer to the Division of Pensions and Benefits Web site at: [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml)

## ELIGIBILITY AND ENROLLMENT

### Part-time Active Employee Eligibility

Eligibility for coverage is determined by the Division of Pensions and Benefits. Enrollments, terminations, changes to contracts, etc. must be processed through your employer first, then by the Division. If you have any questions concerning eligibility provisions, you should see your employer or call the Division of Pensions and Benefits' Office of Client Services at (609) 292-7524.

To be eligible for coverage under the provisions of Chapter 172, an employee **must** be:

- A member of a State-administered retirement system (Public Employees' Retirement System, Teachers' Pension and Annuity Fund, or the Alternate Benefit Program); and

- A part-time employee of the State of New Jersey, a State college or university, the Palisades Interstate Park Commission, the New Jersey Building Authority, the State Library, or the New Jersey Commerce and Economic Growth Commission; or
- A part-time faculty member — including part-time lecturer or adjunct faculty member — employed by a State College, State University, or a County or Community College that participates in the SHBP or SEHBP.

### Eligible Dependents

Your eligible dependents are:

- Your spouse, civil union partner, or eligible same-sex domestic partner\*.
- Your children (including step-children, legally adopted children, foster children, legal wards) under the age of 26.

### Enrollment

You cannot be covered by the health benefits provided under Chapter 172, P.L. 2003, until you enroll in **both** a New Jersey State-administered retirement system and the SHBP or SEHBP. When you become eligible for enrollment in a retirement system, your employer will provide you with the *Part-Time Employees Group Health Benefits Application*. You must complete the application, providing all of the information requested, and submit it to your employer.

Part-time employees may select **both** a medical plan and Employee Prescription Drug Plan coverage, (if provided by the employer) **or** they may select medical plan coverage **only** (part-time employees cannot enroll in only the Employee Prescription Drug Plan).

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*\*For more information about health benefits for domestic partners, including eligibility requirements, see Fact Sheet #71, Benefits Under the Domestic Partnership Act. For more information about health benefits for civil union partners see Fact Sheet #75, Civil Unions.*

Once you are enrolled in health benefits, **you will be billed monthly** for the cost of your selected coverage. Rate charts showing the cost of coverage are available from your employer or on the Division Internet home page at: [www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml)

If you do not enroll all eligible members of your family within 60 days of the time you or they first become eligible for coverage, you must wait until the next Open Enrollment period (for exceptions see the "Changes in Coverage" section below).

### **Effective Dates of Coverage**

There is a **waiting period of two months following your eligibility date** before your health benefits coverage begins, provided you submit a completed *Part-Time Employees Health Benefits Program Application*. For example, if you become eligible for enrollment in the retirement system on October 1 and apply for coverage under Chapter 172, your SHBP/SEHBP coverage will be effective December 1.

For some part-time employees, retirement system enrollment may be concurrent with their date of hire; other part-time employees may not be eligible for retirement system enrollment until their 13th month of continuous employment (see your human resources representative to determine your enrollment eligibility date).

**Note:** If you were enrolled in health benefits as a part-time employee with your previous employer and your coverage is still in effect on the day you begin work with your current employer (COBRA coverage excluded), your coverage begins immediately so you have no break in coverage.

Your eligible dependent's coverage is effective the same date as your coverage is effective.

### **Changes in Coverage**

Coverage changes involving the addition of dependents are effective retroactive to the date of the event (marriage, civil union, eligible domestic partnership, birth, adoption, etc.) providing the application is filed within 60 days of the event. Deletion of dependents is effective on a timely or prospective basis, depend-

ing upon receipt of the application by the Health Benefits Bureau. Covered children are automatically terminated as of the end of the year they attain age 26.

### **Leave-of-Absence**

If you take an approved leave-of absence, your SHBP/SEHBP coverage will remain in effect provided that you continue to pay your billed monthly premiums.

### **Workers' Compensation**

If you have a Workers' Compensation award pending or have received an award of periodic benefits under Workers' Compensation or the Second Injury Fund, you and your dependents are entitled to have continued coverage at the same level as when you were an active employee. You must continue to pay your billed monthly premiums.

## **RETIREE COVERAGE**

### **Retiree Eligibility**

Upon retirement, part-time State employees and part-time faculty members who are enrolled in the SHBP/SEHBP under the provisions of Chapter 172, are permitted to enroll in the retired group of the SHBP/SEHBP provided that they continue to pay the full cost of their retiree coverage. Prescription drug coverage for retirees is provided through the medical plans and the Retiree Prescription Drug Plan.

Retirees should also see the Division's requirement regarding enrollment in Medicare Part A and Part B coverage, as outlined in the *Summary Program Description*.

**Note:** The provisions of Chapter 172 do not qualify an employee for State-paid or employer-paid post-retirement health care benefits under the SHBP or SEHBP. Chapter 172 retirees are responsible for paying the **full cost** of retired group SHBP/SEHBP coverage.

## **COBRA COVERAGE**

Upon termination (other than for retirement) of SHBP/SEHBP coverage provided under Chapter 172, continued coverage in the SHBP/SEHBP and

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the Employee Prescription Drug Plan is available under federal COBRA legislation. See the *Summary Program Description (SPD)* for more information, which is available on our Web site at:

[www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml)

### **PURCHASE OF INDIVIDUAL INSURANCE COVERAGE**

Part-time State employees and part-time faculty members who are eligible to enroll under provisions of Chapter 172, **are not eligible** for other health coverage plans available under the provisions of the New Jersey Individual Health Coverage Program (IHCP).

If you are covered under the IHCP and eligible for coverage under Chapter 172, you must contact the carrier regarding cancellation of your IHCP benefits. You may re-enroll in the IHCP during the IHCP's October open enrollment period (for a January effective date).

If your health benefits terminate, you are immediately eligible for coverage in the individual market. To avoid the possibility of the application of a preexisting condition waiting period, you must obtain individual coverage within 31 days of the loss of your coverage.

Additional information about the IHCP can be obtained from the New Jersey Individual Health Coverage Board at the Department of Banking and Insurance by calling 1-800-838-0935 or at: [www.njdoib.org](http://www.njdoib.org)

### **PLAN DESCRIPTIONS**

For a summary of medical plans and benefits provided under the SHBP/SEHBP, visit the Division of Pensions and Benefits Web site at:

[www.state.nj.us/treasury/pensions/health-benefits.shtml](http://www.state.nj.us/treasury/pensions/health-benefits.shtml)

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This fact sheet is a summary and not intended to provide total information.

Although every attempt at accuracy is made, it cannot be guaranteed.

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